

Discussion of “Do Women Matter in Monetary Policy Boards?”

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The views expressed here are my own and do not necessarily reflect those of the ECB or the Eurosystem.



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Overall remarks

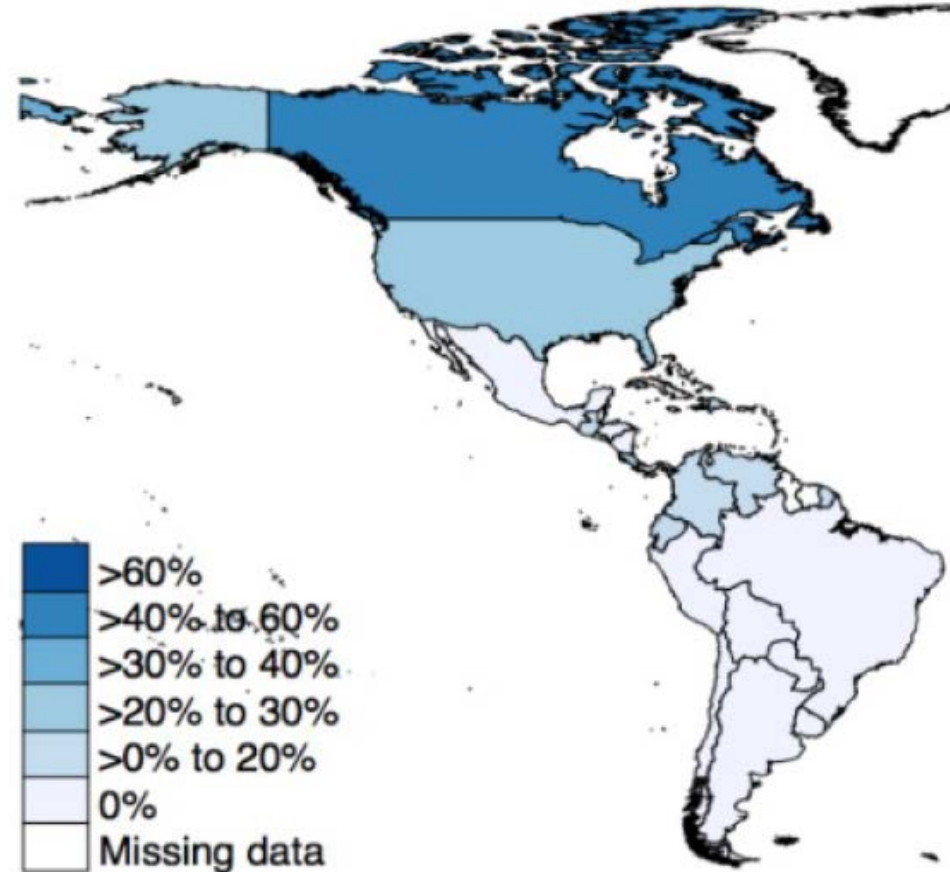
- Very rich dataset
- Title of the paper is much broader than what can be done with the data
- This generates appetite for more analysis 😊

Female representation on monetary policy committees

- The authors focus on the trend more than the level
 - “Women are **increasingly** represented in central banks”
 - “We document an **increasing share** of women in monetary policy committees”
- Despite the increasing trend, the levels are still extremely low
 - Sample: 103 central banks, 2002-2016
 - June 2018: 13 central banks headed by women
 - 20% of MPCs never included a woman
 - Average share of women on MPCs is 14%; large heterogeneity

The data

- Double-check and clarify the data
 - E.g., Canada in 2016
 - Male: Poloz, Lane, Leduc (since May), Schembri
 - Female: Wilkins, Côté (until February), Patterson
 - How do you handle empty seats / transitions within a year?
 - Snapshot at year-end: 33% (Table A1)
 - Account of changes: 37%
 - Simply count all names: 43% (Figure 1: 40-60%)



Explaining female representation

- What explains staff gender ratio?
- Which gender gap index?
 - Overall (includes “health and survival” and “educational attainment”, which are largely closed)
 - Economic participation and opportunity index
 - Political empowerment index
- Other potential determinants
 - Females in government, parliament
 - Female prime minister

	(1)	(2)	(3)
	Share of women		
Staff gender ratio	0.198*		
	(0.105)		
Gender gap index		0.125	
		(0.356)	
Central bank independence			-0.118
			(0.106)
Controls:			
OECD FE	Yes	Yes	Yes
MPC size FE	Yes	Yes	Yes
Income FE	Yes	Yes	Yes
Legal origin FE	Yes	Yes	Yes
Year FE	Yes	Yes	Yes
Observations	182	163	164
Number of countries	66	61	59

Interest rate setting

- The paper estimates Taylor rules with an interaction term of female participation and inflation
 - With such a large country and time dimension, this is very hard to do
 - E.g., estimation on ex post, not on real-time data
- What is the hypothesis? Why should MPCs with females be more hawkish, on average?
 - Dependence on interest rate cycle, mandate,...?
- Existing literature is inconclusive, this dataset could help understand why
 - FOMC: females are more dovish (Chappel and McGregor 2000, Ainsley 2019)
 - Cross-country: females are more hawkish (Farvaque et al. 2001, Diouf and Pepin 2019)

Interest rate setting

- Alternative hypotheses
 - More emphasis on output gap
 - Different persistence term
 - More emphasis on other variables, i.e. larger residuals
- Econometric issues
 - What if females are better forecasters?
 - Share of women has a negative effect on policy rates – control for time f.e.?
 - How is ELB taken into account? Robustness?

The Swedish case study

- Interesting test, but largely unconnected to the rest of the paper (requires voting data, which most CBs do not release)
- Controls for age and gender, plus meeting f.e.
- Why not control for other characteristics, in line with literature, e.g. birth cohort, profession, nomination from within,...?

Further questions

- Many questions would require other data
 - More collegial, more open discussion, less group think, more diversity: minutes / votes
 - More trusted by citizens: surveys
- Some questions can be tackled already, or require additional, but standard data
 - Inflation closer to target? Any difference for the output gap?
 - More/fewer interest rate reversals?
 - Any difference in reappointment or length of tenure?

Conclusions

- Very interesting dataset
 - Making this available to researchers would be a great service to the profession!
- I hope the authors will take this much further, looking forward